

**CITY OF KINGMAN
SPECIAL MEETING OF THE COMMON COUNCIL
Kingman Police Department
2730 E. Andy Devine Ave.**

2:00 P.M.

MINUTES

Friday, January 23, 2015

SPECIAL MEETING

****A member of the Council may be attending the meeting telephonically****

Members	Officers	Visitors Signing in
Richard Anderson – Mayor	John A. Dougherty, City Manager	See attached list
Mark Wimpee Sr. – Vice Mayor	Coral Loyd, Financial Services Director	
Mark Abram	Diane Richards, Budget Analyst	
Larry Carver	Sydney Muhle, City Clerk and Recording Secretary	
Jennee Miles		
Stuart Yocum --- Arrived LATE		
Carole Young		

CALL TO ORDER & ROLL CALL

Mayor Anderson called the meeting to order at 2:01 P.M. and roll call was taken. All council members were present except Councilmember Yocum who was late. The invocation was given by City Manager John A. Dougherty after which the Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A) 3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

1. Council Planning and Goal Setting Session

Discussion and/or Direction for the City Manager

Mayor Anderson apologized for the timing of the meeting but due to the change in the election cycle this meeting had to take place now that the new Council members have taken office. He said that he initially wanted this meeting to be a vision session but that was not fair to the new Council members who had only been in office for a few weeks. He said that for this meeting he wanted to break down the goals and objectives for the

coming budget session in three areas: the General Fund, enterprise funds and anything else.

Mr. Dougherty asked if Council wanted to discuss the Capital Improvement Plan (CIP) at this meeting.

Councilmember Young said that the Capital Improvement Plan is normally discussed with this.

Mayor Anderson said that the Council could discuss the (CIP) after discussing enterprise funds. He said that the General Fund is having a good year and is up about four percent.

Finance Director Coral Loyd said that the General Fund is up 7.4 percent through December.

Councilmember Yocum arrived at 2:05 P.M.

Mayor Anderson said that the sunset on the Transaction Privilege Tax (TPT) increase cannot be voted on at this point. He said that he would like to try to handle whatever is in the goals currently. He said that the budget with the two percent will include all the current city functions and the additional half-percent would have to be voted on separately. He said that his recommendation when looking at the split is to look at things and programs to be added and necessities that are not in the baseline budget. He said that he was suggesting this because if the intent is to continue with the 2.5 percent that the City can show what this is for and hold public hearings on it. He said that he wants to show what people get for the additional half-percent and what it is spent on.

Ms. Loyd said that the two percent is not enough to cover the basic budget.

Mayor Anderson said that he would like to get as close to the two percent as possible.

Mr. Dougherty said that Ms. Loyd would be leaving employment with the City and going to Mohave County as their finance director. He said that this is just waiting for the Mohave County Board of Supervisors' approval.

Mayor Anderson said that having a four or five percent increase in revenue, based on TPT, the lion's share should go to keep the base sustainable. He said that there has been a question of a pay raise. He mentioned cost of living increase of 1.7 percent and said that revenues are going up and this would be in the base. He said that he would favor projections on a pay scale adjustment at budget unless the rest of the Council says otherwise.

Vice Mayor Wimpee Sr. said that he had no objection and the half-percent should not be separated as it is part of the budget.

Councilmember Young said that she agreed as this is why the half-percent was instated.

Ms. Loyd said that revenues are currently 4.5 percent over budget. She said that because this was just implemented last year this is really about four percent.

Mayor Anderson said that he understands the hesitancy if this is needed to preserve the base. He said that there will be things that will need to be added as a result of this meeting that may not be included at this time.

Vice Mayor Wimpee Sr. said that the Council may take a hit on the tax but it went away last time. He said that it makes sense to show where the money is going.

Mayor Anderson said that once the budget is put together it may be that a reduction can't be done.

Vice Mayor Wimpee Sr. said that this would be the case unless a property tax is implemented and he doesn't want to do that.

Mayor Anderson said that people will say that the City is earning four to five percent more and this is only covering what has been done.

Vice Mayor Wimpee Sr. said that the Council can get rid of this any time they want.

Councilmember Abram said that looking at what the Mayor is saying, the Council should have a balanced budget because of the TPT sunset.

Councilmember Young asked if this can be done without eroding the budget.

Ms. Loyd said that it could not. She said that the increase of \$2.5 million was achieved and the ordinance that went with it had nine capital projects and one-third went into the balance. She said that the City actually received an increase and gave the specific amounts over projections. She said that the capital projects have all been accomplished and the mobile data project was still in the works and the crosswalk near Hualapai Elementary School was abandoned for other reasons. She also presented things the new money will pay for.

Mayor Anderson said that he would like to go through projects for the General Fund

Councilmember Abram wrote down the priorities from each Councilmember on the white board. The complete list of priorities has been included with these minutes.

Vice Mayor Wimpee Sr. said that additional money for abatements should be high on the list.

Councilmembers Young and Miles agreed.

Councilmember Young said that her priority was public safety vehicle replacement and data units.

Mayor Anderson suggested going around and getting everyone's list then discussing it to narrow down the priorities.

Councilmember Carver asked about sewer plant operations.

Mayor Anderson said that this was an enterprise fund and any expenses related to it have to be paid out of that fund.

Councilmember Abram asked about allocations within that fund.

Ms. Loyd said that the operations for this fund are paid directly from it. She said that a number of employees are used for this allocation.

Councilmember Miles said that her goals are to improve the City's economic vitality and enhance the quality of life. She said that for quality of life the priority is water and to identify and start water conservation best practices and policies. She said this would also be to find the most effective ways to use effluent and how to sustain the water supply.

Councilmember Yocum said that one option for this is to establish a fund and incentive programs for water conserving appliances and household users.

Mayor Anderson asked if this could be narrowed down into specific goals and objectives to be provided to staff. He also said that it is time to review the contract for the golf course. He said that he would like to see the golf course on a performance based contract. He said that a new contract could start in January of next year.

Councilmember Miles said that she wanted to get more specific about her goals. She said that she would like to see a recharge well for wastewater as well as evaluation of Irrigation Non-expansion Area (INA) and Active Management Area (AMA) initiatives to explain to the public what is going on and why one is being chosen over the other. She said that the public does not think that the City has done enough to fulfill public understanding of this topic and she did not want to be too general.

Councilmember Yocum said that his priority is improvements on Stockton Hill Road. He said that he spoke with Arizona Department of Transportation (ADOT) representative Mike Kondelis about traffic mediation on Stockton Hill Road. He said that this is a safety issue as public safety vehicles cannot get through there. He said that ADOT is working on syncing the lights, but there are no loop sensors at the Interstate 40 (I-40) intersection. He said that the lights stay red too long when there are no vehicles at the light. He said that Mr. Kondelis indicated ADOT is working on this but he did not know what the status is.

Mayor Anderson asked for clarification that this was for safety improvements and timing of the lights which Councilmember Yocum said that it was.

Councilmember Young said that her next priority is for an underpass at Western Avenue and I-40.

Mr. Dougherty said that ADOT does not have any projects for Kingman on their five year plan other than maintenance.

Councilmember Carver said that he would like to look at the golf course contract as well. He also said that he would like to look at tourism and industry. He said that businesses are looking to relocate and if he were a business he would work with the local newspaper to look at the area.

Mayor Anderson said that this would be making marketing and economic development broader. He said that he does not want to say how to do it but would add more emphasis in those areas. He suggested that Mr. Dougherty come up with what can be done and then plan and sort out where that falls into.

Mr. Carver said that the Council is not addressing the money issues and are just maintaining. He said that there is nothing in the budget for improvements.

Councilmember Miles said that this would be under her priority of economic vitality and improving revenue. She said that tourism and manufacturing/industrial growth can help support growth within the community. She said that to increase revenues the City has to build these industries. She said that there is an effort for making Kingman a logistics hub. She said that a high priority for her would be City efforts and funding to make Kingman a trade zone. She said that becoming a point of origin for products would increase revenue and bring in more retail. She said that she would list this under economic development and that funding may be required for participation in a foreign trade zone. She said that developing a plan for Kingman to be at the heart of this trade zone is a good way to address revenues.

Councilmember Carver asked what was happening with the airport. He said that it is losing money from revenue and tenants and could be a prime location.

Councilmember Young said that the City hasn't concentrated on revenues from the airport. She said that they have been doing what they want.

Councilmember Miles said that there is a vision for a hub more than what has been brought to the community. She said that the group is meeting through the Kingman and Mohave Manufacturer's Association (KAMMA) in the hope that it will contribute to growth.

Mayor Anderson said that this is something that would be encompassed with increased economic development and marketing. He said that he would like Mr. Dougherty to come back with a proposal and ask that he consider contracting with a consultant. He said that this needs to be done through the City and Mr. Dougherty needs to find the best way to go about doing this.

Ms. Loyd asked what was included with the logistics hub and if this would involve federal dollars and jobs. She also asked about customs enforcement and if this would be similar to Kansas City.

Councilmember Miles said that this could be similar and Kingman would be a point of origin. She also said that Mr. Dougherty needs to be involved in this.

Councilmember Abram said that his next priority would be tourism and developing more jobs and more livable wage jobs. He said that manufacturing and industrial jobs increase wages and will increase the number of people living here. He said that he believes an economic development job would pay for itself.

Councilmember Young said that a previous Council did away with this position and there is still no money in the budget to do it. She said that she could maybe see hiring a consultant and did not see another way to do it.

Councilmember Miles said that funds do have to be cultivated. She suggested using some funds to participate in common efforts for and then eventually move toward a fulltime position.

Councilmember Abram asked if this would be through a public-private partnership.

Councilmember Miles said that there could be funding from several entities and this would be something for Mr. Dougherty to work on.

Mayor Anderson asked if there was something specific on this that can be included with the half-percent TPT to keep moving forward.

Councilmember Young asked if the City needs someone to work with this group.

Mayor Anderson said that Mr. Dougherty should come up with a proposal on this.

Mr. Dougherty said that there is no industry in the City of Kingman. It is located at the airport which it is Bob Riley's job. He said that Mohave County funds this and Bullhead City has eliminated funding for this. He said that it will only be Lake Havasu City and Kingman.

Councilmember Miles said that Bullhead City and Lake Havasu City are not at the table on this, though Mohave County and Mr. Riley are. She said that it is still early in the

process, but this is moving forward. She said that a representative from the Economic Development and Marketing Commission is there. She said that this will move the community forward. She said that she does not know the dollar amount of staff contribution.

Councilmember Young said that with these groups coming together for one economic development initiative the City could contribute monetarily and with manpower. She said that this is not something that the City has to participate in but there needs to be a report back to the Council.

Councilmember Miles said that the group is aware of this and Development Services Director Gary Jeppson is working with them. She said that funding requests will be coming in the next year.

Councilmember Young said that she has two issues with what Councilmembers Miles and Carver are talking about. She said that if the City concentrates on tourism and economic development there is no money to expand on either one. She said that if economic development and tourism are together a position can be created for both and use tourism funds to pay for it then there can be a City position for both.

Councilmember Carver said that this person's job would be to get out and promote Kingman.

Councilmember Miles asked who is doing research currently. She said that the City is figuring out how to get people here but no action has been taken for recruitment. She said that there is a lot of action going on in the private sector which is driving this because they don't want government leading it. She said that a public-private partnership is needed to do this with both city and county participation.

Mayor Anderson said that quite a bit of time has been spent on this topic and economic development and tourism are listed as priorities. He suggested giving it to staff to come back with how to move forward with this.

Councilmember Young said that in it is Council's job to give staff direction and they need to give as much direction as possible.

Mayor Anderson said that his goal is to have three to four high priorities and then some mid-level priorities.

Councilmember Miles said that this position needs to be understood in order to rate it on the list. She asked if this position could be funded with Tourism monies.

Ms. Loyd said that it could for the tourism portion of the position. She said that the Kingman Airport Authority (KAA) used to work with the Economic Development and

Marketing Commission on this but has since stopped coming to the commission's meetings and reporting on current activities.

Councilmember Young said that if a tourism person is contracted as Councilmember Carver had suggested then expenses can be identified specifically for tourism if necessary.

Mayor Anderson asked for other additional priorities.

Vice Mayor Wimpee Sr. said that his next priority is Kingman Crossing. He said that he thinks the City should look at having a fund to build the interchange and work toward setting aside the funds for it when partners come in.

Councilmember Miles said when looking at Kingman Crossing versus Rattlesnake Wash that Rattlesnake Wash may be more conducive to making Kingman a logistics hub.

Vice Mayor Wimpee Sr. suggested putting the funds away for one or the other. He also said that conserving water is one of his priorities. He said that he would like to see a cost analysis for bringing effluent into the golf course. He said that the City is its biggest water customer.

Councilmember Miles agreed with looking at alternatives.

Mayor Anderson asked Ms. Loyd if taking effluent and shipping it to the parks and golf course would be an expense for sewer customers or water customers.

Ms. Loyd said that it would be exchanging irrigation so could be a combination of the two.

Mayor Anderson said that the City just spent funds for a sewer plant. He said that he had heard it would cost \$10 million to run effluent to the golf course. He said that it might be expensive, but the City wants to conserve water and the use of grey water and reduction of use at the parks and golf course should be looked at. He said that the AMA and/or INA are not there yet. He said that there is not enough information to know how that issue will impact the City yet. He said that there are not enough facts to jump in and the City needs to start conserving and looking at initiatives. He said that the water plant needs to be updated now that the sewer plant updates are in place.

Ms. Loyd asked Councilmember Miles if there is a point in the logistics group where ancillary businesses would reuse water.

Councilmember Miles said that she is not aware of any. She said that there was talk about wanting the solar plant to reuse water but she did not know the status of that. She said that they know the industries the City is trying to attract but not whether they wanted Rattlesnake Wash or Kingman Crossing.

Mayor Anderson asked about having staff come back with potential options for selling the water rights from Vonn Ranch to Valley Vista. He said that right now it is sitting out there doing nothing.

Councilmember Miles asked if this was part of the Hualapai Basin.

Ms. Loyd said that it was and was purchased for the future water rights and water use.

Councilmember Miles asked if Mayor Anderson was looking at the potential of selling the water rights.

Mayor Anderson said that he was asking whether the Council should look at the options or leave it as is.

Councilmember Young said that she does not want to sell the water rights and that is an aquifer that could be put to better use.

Councilmember Miles asked if this was something the City wanted to start utilizing. She said that in the event action is taken to create constraints the City would be grandfathered in.

Councilmember Young asked if the City could drill wells to bring water into a tank for the City. She said that this could potentially be surplus for the City.

Mr. Dougherty said that he would think so.

Councilmember Miles said that this should be considered under water priorities.

Councilmember Young said that the City might as well plan for the future use.

Mayor Anderson said that there are 200 to 300 new homes on the southern end of the East Bench with another 300 that will start being built at Castle Rock Village.

Vice Mayor Wimpee Sr. said that Castle Rock Village plans to build 500 new homes in five years.

Mayor Anderson said that with the growth on Hualapai Mountain Road there is no access over I-40 other than Route 66 and Eastern Avenue. He said that an interchange could possibly be funded by selling City owned land in the area at the highest achievable rate. He said that the City needs other participants and needs to get traffic from one side to the other. He said that a fire station is needed to serve both sides. He asked if there is an alternative for another overpass to get people from one side to the other and help with traffic. He said that City Engineering has looked at this but it should be a priority as there is going to be more needed than the two interchanges.

Vice Mayor Wimpee Sr. asked how much the Airway underpass cost.

Ms. Loyd said that this cost \$10 million total and the City paid 27 percent.

Councilmember Abram said that the costs are not equivalent as this project would be looking at six lanes of highway. He asked about designing the interchange then only partially building it.

Ms. Loyd said that, of the two, Kingman Crossing is cheaper.

Councilmember Young said that the State of Arizona was putting more money into Kingman Crossing. She asked what the hospital is willing to pay.

Mr. Dougherty said that they were willing to put in \$2 million.

Mayor Anderson said that he is not sure that this has to be designed for a traffic interchange, but could maybe start with an underpass before looking at ramps. He said it might be good to check with City Engineer Greg Henry to look into the options.

Councilmember Abram agreed that this would be building for future growth.

Councilmember Young said that she did not see this taking traffic off of Stockton Hill Road though she does see it taking traffic off of Eastern Street.

Mayor Anderson explained the proposed traffic plan.

Councilmember Young said again that this would not reduce traffic on of Stockton Hill Road. She said that traffic will still travel down Gordon Drive or Airway Avenue and the traffic will not go down.

Mayor Anderson said that he thinks people will use I-40.

Councilmember Abram said that he is looking at this for two things: a potential over/underpass only and East Bench public safety facility.

Councilmember Carver asked about the potential for building a fire station at the airport.

Mayor Anderson said that it would only be able to serve the airfield itself.

Vice Mayor Wimpee Sr. left at 3:09 P.M. He said that he will make the dates for the budget calendar work.

Mayor Anderson asked if anyone else had additional priorities to add.

Councilmember Miles said that she would like to see an evaluation of a historical zone. She said that she did not know what all would need to be done for this but the history needs to be maintained with no connotation of blight. She said it would be good to evaluate this and see what is needed.

Councilmember Abram said that this was on his list as well. He also said that a new building can reflect an older building.

Councilmember Young said that the City can do a downtown zoning.

Councilmember Miles asked if this would meet the ongoing issues.

Councilmember Young asked if it is harder to condemn everything. She said that there needs to be some sort of zoning appropriate to revitalize downtown.

Mayor Anderson said that if a piece of glass is broken it has to be replaced with the same type of glass. He said that some type of zoning would need to be looked at.

Councilmember Miles suggested wording this as evaluating zoning for downtown to align with property efforts.

Ms. Loyd asked for clarification that this is for a zoning designation.

Councilmember Miles said that it was.

Councilmember Young said that she wanted to review a question from last year on the Kingman Regional Transit System (KART) and asked if someone approached Mohave County about supporting the bus route that runs in the county.

Mr. Dougherty said that to his knowledge no one has.

Councilmember Young said that she thinks this needs to be done as it was in previous minutes to be done.

Councilmember Yocum also suggested running KART service later into the evening.

Councilmember Miles said that this needs to be looked at for the industrial park and the timing for the areas shifts.

Mayor Anderson said that no priorities have been presented for the enterprise funds. He said that he would like to see if it is possible to reverse the last sewer increase for residential customers. He said that it starts on January 1st and he would like to see if this can be accomplished for the next calendar year or if it can be divided into two years.

Councilmember Young asked for clarification that this is to give the rates back to the rate payers instead of increasing sewer lines.

Mayor Anderson said that this was correct. He said that the expansion is being worked on with Community Development Block Grant (CDBG) funds and there is not a good connection rate. He said that the city has tried for a year and a half and should look at giving back to the residential customers only.

Councilmember Young said that the City can write ordinances to some of those people over the sewer.

Councilmember Carver said that this is already in place.

Councilmember Young said that most of these houses are less than 15 years old and would prefer sewer to septic.

Mayor Anderson said that hopefully as building increases more customers will be generated to see more connections. He said that the City could look at splitting this but at some point the customers need a break. He said that Kingman has the highest rates in the state.

Councilmember Carver said that the City is in line with the Arizona Department of Environmental Quality (ADEQ) right now.

Ms. Loyd said that the City would have to cut back on its capital projects.

Councilmember Yocum asked about the potential savings on sanitation by cutting back refuse collection to once per week.

Councilmember Carver said that the twice weekly pickup is required by statute.

Mayor Anderson said that there is a ten percent leakage rate which means that the City is pumping ten percent more than what is being billed. He said that he assumes the City has been billed for the leakage and he would like to see a plan to reduce water leakage to four percent over the next three years. He said that there is a \$10 million system that will show where the leaks are. He said that he understands Lake Havasu City has grants for leakage checks. He said that if this is prioritized there could be some help available.

Councilmember Young asked if there are overflow pipes on the water towers. She said that the Anson Smith tank runs onto the ground.

Ms. Loyd said that Engineering and Public Works are working on an overall study to equalize pressure in the system. She said that agreements are in place for the East Bench. She said that this will take care of overflow and reduce electricity.

Councilmember Young said that this should take care of a lot of leakage.

Mayor Anderson said that normal leakage is three to five percent but the City is higher and needs to be reduced. He said that he would like to see a plan for this.

Councilmember Young said that she had one additional priority to add to the list. She said that the 2017 Capital Improvement Plan has a plan for the golf course, a park on Sycamore, and a multipurpose/community center. She said that she would like the community center to be first. She said that the City is using schools for a lot of parks and recreation activities. She said that she would also like the proposed splash pad included on the list, which the venture club is raising money for.

Councilmember Yocum said that Storm Hargrove would be giving a presentation on the splash pad at the February Parks and Recreation Commission meeting.

Councilmember Carver said that the splash pad company would be giving the presentation and will then give the presentation to Council after that.

Councilmember Miles said that she would like to see mountain bike trails and facilities. She said that it would be good for the City to support this as this would be great for tourism and economic development.

Councilmember Abram said that any large groups would be great for tourism.

Mr. Dougherty said that it would be nice to host a couple of tournaments each year.

Councilmember Young said that the community center and splash pad could be combined on the list.

Councilmember Yocum said that his understanding of the splash pad project is for the fundraising group to pay for the entire project and have the City do the maintenance.

Mayor Anderson said that there were a couple of items brought up by the Sandbox group which were: economic development, marketing and advertising creating a designated area for regrowth, and looking at part of and lessening the restrictions for revitalization. He said that the final request was initially stated that if people do not comply with regulations the buildings would be torn down. He said that the group has changed from an organized attempt to look for areas to improve. He said that most of what was discussed during the recent meeting was not on the agenda and several people who have never attended were there. He said that the group ought to go back to the purpose for the Sandbox and address specific areas where issues are and propose solutions.

Councilmember Young said that the City needs to look at ordinances.

Mayor Anderson said that there are issues where people come to talk to the City and some of the requirements were not needed. He said that Mr. Dougherty has looked at interpretations and should evaluate ongoing projects to ensure that the interpretation is consistent through those who work in Development Services.

Councilmember Young suggested looking at ordinances, processes and job duties.

Mayor Anderson said that he was not sure of the position of the group as the meeting was done in a hurry. He said that this was not related to the purpose of the group. He said that the City needs to look at codes and regulations to ensure consistent interpretations. He also said that the group asked about abatements and ways the City can finance private property improvements.

Councilmember Carver left the meeting at 3:32 P.M.

Mayor Anderson discussed federal law for community redevelopment funding. He said that the City is not a lending institution. He said that he covered the priorities on the list and a draft will be sent to the Council for a City response for the next meeting.

Councilmember Abram asked how many condemned buildings have been torn down.

Mr. Dougherty said that none have and explained the process for this.

Mayor Anderson said that this process is in its infancy state and is being established. He said that other cities have more mature processes and they are more than welcome to have a presentation to Council or staff to exchange ideas. He said that \$50,000 was allocated for abatements in the current fiscal year and said that this should be increased to between \$100,000 and \$200,000 for this fiscal year.

Councilmember Young said that the City has to be aggressive to revitalize downtown.

Mayor Anderson said that it is interesting to hear others say that the City needs to do the cleanup downtown and tear down buildings. He said that it has to be fair and has to be implemented and enforced. He said that there is a problem with two buildings being approved as the current owner is unknown. He said that this will also give local folks a reason to fix their properties.

Councilmember Young said that if the City has the proper ordinances and there are safety issues it can force property owners to do something. She said that the property owners could sell to someone local to keep the properties that way as they don't want to spend money on the properties. She said that if a property is condemned for safety and can be sold this might change. She said that this has not been enforced in the past.

Mr. Dougherty said that he would like to bring up a couple of things. He said that he would like the Council and commission to go paperless. He said that a proposal for this

will be ready for this budget process. He said that pay raises for employees has been skirted around in this discussion and asked if this is a priority.

Councilmember Young asked if there is revenue to fund this.

Councilmember Abram said that he is in favor of a fair and just wage. He said that if people are already there then it needs to be equalized.

Mr. Dougherty said that he opened this up to the employees and they took several months to come back with a recommendation on whether to address pay raises or compression issues. He said that there was not a consensus among the group but the recommendation was to address an across the board pay raise rather than compression.

Mayor Anderson said that both proposals should be in the budget request.

Mr. Dougherty said that the newly appointed fire chief has issues with Station Two being the busiest. He said that the chief wants a ladder truck at Station Two and the department needs an additional fire station on the East Bench. He said that the City owns an empty lot on Route 66 though Mr. Dougherty would prefer to not have additional buildings on Route 66. He said that the station needs to be a couple of blocks off of Route 66 and he has asked the chief to look into where to put the station. Mr. Dougherty said that both he and the Mayor want a police substation in the new station as well. He said that this can be placed on the CIP for a couple of years out.

Councilmember Young said that last she had heard the department wanted the new station on Louise Avenue.

Ms. Loyd said that the City has acreage in the area for this.

Councilmember Young said that she is just hearing about the proposal for Station Two on Route 66.

Ms. Loyd said that the property was purchased last year on the opposite side of Lewis Kingman Park.

Councilmember Young said that the East Bench needs a station first.

Mayor Anderson said that there is a reduction in fuel prices this year and he hopes the savings from fuel can be put into those requirements.

Councilmember Yocum said that he is not sure these vehicles will see a reduction from that as diesel prices are not benefiting.

Mayor Anderson said that these costs need to be looked at across the board. He said that a fire truck is sent out for every 9-1-1 call. He said that he hopes the department can look at

the code and whether those trucks should go out on every call. He said that this could provide a cost savings.

Councilmember Young said that it was a requirement by the federal government to send a truck out every time.

Mayor Anderson said that there are a lot of other places that do not.

Mr. Dougherty said that the department is looking at sending a smaller vehicle rather than a full fire truck.

Councilmember Young said that the additional fire station will cut down on the number of calls received by Station Two on the East Bench. She also said that she would like 9-1-1 growth looked into. She said that she does not know when the current contracts are up but these should be looked at as different districts receive different calls.

Mr. Dougherty said that this has been done and the dispatch center is in the process with these contracts.

Mayor Anderson said that he wants a generalized list of priorities.

The Council reviewed the list of priorities and selected the top three. A copy of the prioritized list has been attached to these minutes.

Mr. Dougherty was asked if abatement issues are specific to the downtown area and should be combined with the downtown revitalization. Mr. Dougherty said that the abatement issues are all over town.

Mayor Anderson said that the top three priorities on the list should be included in the budget if possible. He also asked that the enterprise funds be looked at.

Councilmember Abram said that the top three priorities listed need to be addressed and it is more important to focus on those. He said that Kingman Crossing and Rattlesnake Wash will come naturally.

Councilmember Young said that the traffic interchanges need to be shown on the list and feels that it is good to have them on the list.

Mayor Anderson said that he would like the items brought up by the City Manager to be included with the top three priorities.

Councilmember Yocum asked about the Council going paperless.

City Clerk Sydney Muhle gave an explanation of the program the City Clerk's office is hoping to institute for electronic agendas.

2. Set FY2015-16 Preliminary Budget Calendar

For the last three years, the Council has held a pre-budget priorities and capital improvements plan discussion and workshop in February as the kickoff to the upcoming budget season. In anticipation of budget meetings resulting in final adoption of the budget in May 2015 and no later than June 2015, it is time to confirm dates available for upcoming budget workshops and meetings. **Staff recommends Council discuss budget process expectations and set the preliminary budget calendar.**

Ms. Muhle went over the calendar dates that are no longer available due to staff scheduling conflicts.

Ms. Loyd went over other dates with the Council. She said that the preliminary budget meeting in February is for revenue sources and fund balances. She said that February 23rd would be the date to get the work done by. She said that this meeting is for department priorities and the CIP.

Council reviewed various dates and Mr. Dougherty suggested going with the dates that the majority of the Council is available and the staff can work around those.

Council agreed that the preliminary budget meeting would be March 2nd and the second budget meeting would be on April 13th.

Budget Analyst Diane Richards said that budget books would be completed by April 7th.

Mayor Anderson clarified that there will be time to complete the books.

Ms. Loyd said that this gives Council time to hold another work session in between the second meeting and final approval or they can move final budget adoption back two weeks. She also asked if there was any consensus on the half-percent sales tax. She said that this has to be included in the budget to have it balanced.

Councilmember Miles said that this needs to be left in the budget.

Mayor Anderson asked for highlights on what this money consists of.

Ms. Loyd said that staff can show how the money is being utilized.

Councilmember Abram said that economic development is not an overnight situation. He said that whichever way the Council decides to go it will be two to three years before the City sees the fruits of their effort.

Councilmember Young said that the City needs a revenue source which is the number one priority.

Councilmember Abram said that when hiring an economic development person enough revenue will have to be available to pay their salary. He said that the creation of funds from that position will not happen for a couple of years.

Mayor Anderson said that Lake Havasu City has partners that contribute to this position for their city.

Councilmember Yocum asked about grant acquisitions.

Councilmember Young said that there may be several people who put in for those but the City has to know first what it is willing to spend.

Councilmember Abram said that the Council can't expect this position to pay for itself right away.

Councilmember Miles said that it will be interesting to see what Mr. Dougherty sees in the plan.

Ms. Loyd said that a public safety station on the East Bench will be \$1 million. She said that whatever revenue is on the East Bench will have to be able to pay for this.

Councilmember Young clarified that this will be \$1 million each year.

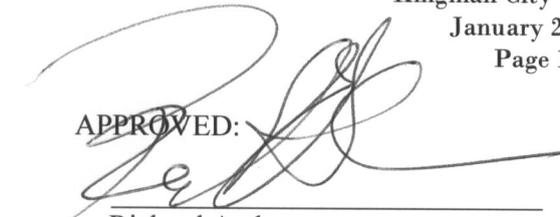
Councilmember Yocum made a MOTION to ADJOURN. Councilmember Abram SECONDED and it was APPROVED by a vote of 5-0.

ADJOURNMENT --- 4:13 P.M.

ATTEST:


Sydney Muhle
City Clerk

APPROVED:

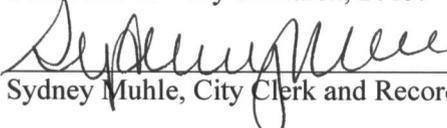

Richard Anderson
Mayor

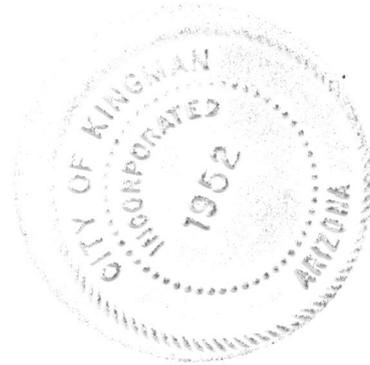
STATE OF ARIZONA)
COUNTY OF MOHAVE)ss:
CITY OF KINGMAN)

CERTIFICATE OF COUNCIL MINUTES

I, Sydney Muhle, City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the Common Council of the City of Kingman held on January 23, 2015.

Dated this 25th day of March, 2015.


Sydney Muhle, City Clerk and Recording Secretary



Council Priorities Set at Special Meeting January 23, 2015

General Fund

Top Three:

- Public Safety
 - Data Units
 - Vehicle Replacements
 - New Facility – East End
- Economic Development/Marketing
 - Tourism
 - Mountain Bike Competitions
 - Logistics Hub Development
 - Relocation Efforts
- Downtown Revitalization
 - Special Zoning Designation

Other Priorities Proposed:

- Abatements
- Golf Course Contract
- Safety Improvements/Stockton Hill Road
- Kingman Crossing/Rattlesnake Wash Fund
 - Potential over/under pass only.
- Community Splash Pad

Enterprise Funds

- Wastewater Plant Recharge Well
- Water
 - Conservation Initiatives – INA or ANA
 - Reuse/Recharge
 - Rebates
 - Effluent Money for Golf Course
 - Update Water Plan
 - Vaughn Ranch wells and holding tank
- Reverse rate increase for residential sewer.
- Water leakage down to four percent over three years.